

## ***Nursing Facility Transition Activity for Southwest Michigan Long Term Care Connection***

A nursing facility transition is a service in which a person requests and requires assistance from a professional to return to a community setting.

***Cost analysis used the following formula: The average net cost to Medicaid for one day of care within a nursing facility was \$158 in the first quarter of FY 09. The average number of nursing facility days Medicaid pays once an individual enters a nursing facility is 398 days.***

### **FY 08**

- SWMLTCC completed 90 transitions from a nursing facility, creating the potential amount of money not paid to nursing facilities as \$5,659,560.
- The number of consumers who were identified by SWMLTCC with a goal to transition from a nursing facility with the assistance of a MI Choice Waiver agency (WA) or Centers for Independent Living (CIL):
  - SWMLTCC referred 17 transition consumers to CIL's for a potential cost saving of \$1,069,028
  - SWMLTCC referred 177 transition consumers to Waiver's for a potential cost savings of \$11,130,468

### **FY 09:**

- During the first 7 months SWMLTCC completed a total of 42 transitions. Net savings YTD is calculated at \$2,641,128.
- Estimating the total number of transitions for all FY 09, trends indicate an annual total of 72 transitions. Projected net savings are calculated at \$4,527,648.
- The number of consumers who were identified by SWMLTCC with a goal to transition with the assistance of a Waiver or CIL:
  - During the first 7 months a total of 19 transition referrals to CIL's were made, creating an average estimate for the year of 32 cases.
  - The total estimated potential cost saving is \$2,012,288
  - During the first 7 months a total of 72 transition referrals to WA's were made, creating an average estimate for the year of 120 cases.
  - The total estimated potential cost saving is \$7,546,080.

### **Potential savings\* in the Southwest Michigan Long Term Care Connection region:**

- **FY 08 \$17,859,056**
- **FY 09 \$14,086,016**

\*does not calculate costs incurred through use of other Non-Medicaid and Medicaid programs utilized in place of NF/WA services or operational cost of SWMLTCC program

**System transformation** for Long Term Care Reform in Michigan begins with the **Single Point of Entry Program**. The cornerstone of this program is providing ***advocacy, unbiased information and assistance and informed choice*** about long term care (LTC) options for persons who are elderly and/or disabled.

**Benefits of the Single Point of Entry or Long Term Care Connection project are:**

- Cost reduction to individuals and the Medicaid system for long term care services.
  - Consumers have chosen services/programs beyond nursing facilities and MI Choice Waiver to meet their LTC needs once they were informed of their options.
  - Persons found ineligible for Medicaid funded services were supported in finding alternative options for LTC needs.
- Consumer survey results show an overwhelmingly high percentage of consumers and their families believe they have more control over their long term care needs, they are better able to navigate through the LTC system, they have more understanding about their insurance/benefits, and they experience increased knowledge and choice about LTC.
- Consumers have greater knowledge about their rights within LTC programs and services.
- Greater numbers of nursing facility residents are able to receive assistance to transition out of institutional care back to their community, creating a potential cost savings in the millions of dollars to the state.
- Michigan receives federal matching funds for the LTCC program.
- SPE staffs are able to work with consumers over the continuum of their care ensuring a reduction of duplication of services and seamless on-going support of the consumer.
- LTCC acts as a gatekeeper to the MI Choice Waiver program and nursing facilities through the Level of Care assessment process. This process leads to transition case finding, awareness of LTC options other than nursing facilities and Waiver for consumers to consider, and informed awareness of Medicaid rights to consumer.
- Management of the Waiver wait list has lead to unbiased assessment for MI Choice Waiver program eligibility, has reduced the time consumers wait for services and provided consistency of MSA policy implementation for those who are eligible for Waiver services.
- The SPE is the link for all LTC system transformation in Michigan including nursing facility diversions, non-Medicaid transition activity, expansion of the Waiver program and affordable housing initiatives.

Michigan's effort to improve long term care and save essential Medicaid funds **has been successful** through the SPE project. Without the continuation of effort by the Long Term Care Connection Michigan will experience immediate cost increases and revert to a LTC system that was fragmented and in disrepair. The Long Term Care Connection is the only agency capable through its design to **provide unbiased information and assistance and advocacy** across the continuum of long term care.